GOVERNMENT OF INDIA
NON-CONVENTIONAL ENERGY SOURCES
LOK SABHA

UNSTARRED QUESTION NO:2898
ANSWERED ON:09.08.2001
SUPPLY OF ENERGY FOR SUSTAINABLE DEVELOPMENT
Y.S. VIVEKANANDA REDDY

Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether the Ninth Session of the United Nations` Commission on Sustainable Development was held in New York duringApril , 2001;

(b) if so, the main points discussed in the Session;

(c) whether India has called upon rich countries to provide funds and technology to developing countries to help them access affordable supply of energy, especially non-conventional energy for sustainable development;

(d) if so the names of the countries who have agreed to the proposals made by the Indian representatives; and

(e) the details of the outcome of the conference?

Answer

MINISTER OF STATE FOR NON-CONVENTIONAL ENERGY SOURCES (INDEPENDENT CHARGE), (SHRI M. KANNAPPAN)

(a) & (b): Yes, Sir. The ninth session of the Commission on Sustainable Development (CSD) was held in New York from 16-27 April 2001. In this Session, the Commission discussed issues relating to energy, transport, atmosphere, and information for decision-making and international co-operation for an enabling environment.

(c): In the field of renewable energy, India called upon the developed and the industrialized countries for making available new affordable technologies to the developing countries on concessional terms as the role of non-commercial sources of energy such as bio-fuel on meeting crucial energy requirement in rural areas cannot be ignored.

(d): The issues raised by India pertaining to technology transfer and provision of new and additional resources to developing countries were well received by different counties and groups which participated in the CSD.

(e): The Chairman`s summary of the High Level Ministerial Segment of the Session on Energy is annexed.

Annexure

Annexure referred to in reply to Part (e) of Lok Sabha Unstarred Question No. 2898 for 9.8.2001 regarding Ninth Session of the Commission Development

Extracts from the Chairman`s Summary of the High Level Segment of the 9th Session of CSD, 16-27, pertaining to Energy for Sustainable Development.

Energy For Sustainable Development

Ministers affirmed the critical role of energy in sustainable development given its impact on a whole range of economic, social and environmental issues. In the period since United Nations Conference on Environment and Development there has been significant change in the energy sector, primarily owing to institutional restructuring and shifts in strategic priorities resulting from climate change issues. However, the main challenge continues to be the provision of energy services to over 2 billion people in developing countries currently without access to such services. In this context, some proposed that World Summit on Sustainable Developmentshould adopt a target of cutting by half the proportion of people without access to clean fuels and electricity by 2015.

The main goal of energy for sustainable development should be poverty eradication. International efforts to achieve this goal should be guided by the principle of common but differentiated responsibilities. Given the wide diversity of country conditions, energy resources, knowledge and experience, many speakers felt that the ninth session of the Commission should not be prescriptive with regard to energy policies and technologies. It was generally agreed that countries should be free to choose from a menu of different options for energy policies, taking into account their special conditions, needs and national priorities for sustainable development.

Access to energy is crucial to economic and social development, and alleviation of poverty. It was felt that lack of access to energy is the main cause of poverty. Since 75% of all poor people live in rural areas, one of the main challenges is rural electrification. Improving

access of the rural poor to modern energy services has the potential to improve standards of living and health, and to create new jobs and business opportunities. Decentralized generation and distribution of electricity constitute an alternative approach to the provision of electricity through large-scale traditional grids. The challenge lies in building the capacities of local communities, and in creating a market for renewable and small-scale energy systems through access to credit and financing, particularly micro-financing.

It was estimated that US$100-300 billion would be required annually over the next 20 years to build adequate infrastructure to meet the energy needs of developing countries. Since the private sector is now the primary source of funding for energy supply expansion, governments should establish an appropriate enabling environment to facilitate private investment.

While it was widely recognized that private sector investment must be promoted, it was also acknowledged that there was often a discrepancy between social needs and private investment priorities. There was also discussion of a range of market based measures, such as the polluter pays principle, that could be employed to finance sustainable energy development. One speaker proposed that in order to capture all the issues related to financing of renewable energy and energy efficiency, and to discuss market based approaches involving public/private sector partnerships; a special segment on `green investment` should be included in the World Summit on Sustainable Development .
The potential for gains in energy efficiency range from 25 to 45 percent over the next 20 years. Governments should, therefore, promote investment in new energy efficient technologies to replace outdated equipment and adopt a broad range of energy demand management measures. Energy efficiency improvements can also reduce the need for investments in new electricity generation capacity. Other energy efficiency measures could include promotion of market-based instruments, removal of harmful energy subsidies, adoption of energy efficiency standards for appliances and provision of fiscal and financial incentives. Building technical capacity, establishing cleaner production centers, promoting technology transfer, and developing clearinghouses for exchange of information and identification of business opportunities were also mentioned.

Another key to sustainable energy use is the wide scale development and deployment of renewable energy technologies. It was noted that wind, solar, geothermal and small hydropower currently represent only about 2 percent of world energy consumption. The commercial scale development of renewable energy by some developed and developing countries with significant lending by multilateral development banks can provide new impetus to these, largely, emission free energy sources. Many countries indicated they are setting targets for renewable energy portfolios in their energy supply mix.

Several speakers noted that the key to greater replication of renewable energy technologies includes policies to facilitate technology transfer, innovative financing and credit schemes, and providing the right market signals for private sector investment. There was broad consensus that renewable energy systems are most appropriate for decentralized rural electrification and should be promoted as a means of encouraging economic development in rural areas and increasing social equity.

Lack of access, or uneven access to energy within a country raises problems of social equity, particularly with regard to the role of women. There are burdens on women owing to collection of fuels in rural areas, owing to lack of refrigeration of foods and medicine, and owing to increased time required for cooking with traditional fuels. Indigenous people throughout the world also face inequities regarding control of energy resources and access to energy services, even in land areas over which they have nominal control.

Nuclear power raises a number of safety concerns including the management and handling of spent fuel and other waste products that are perceived as serious risks by many countries and many groups within society. While some experts, organizations and countries believe that no energy option should be foreclosed and support further research on issues of nuclear safety, many participants expressed strong opposition to any further development and deployment of nuclear technology.